Date: December 2, 2005

HIGHLIGHTS FROM MOROCCO

Moroccan Civil Society Assessment

Arsala Deane of DCHA/DG/CS spent two weeks in Morocco leading a team in an assessment of the potential for the development of a civil society program that would support the implication of Moroccan civil society organizations (CSO) in the public policy arena. This assessment concluded that given civil society's positive but limited track record in creating a "demand" side for reform, it is critical that DG programming focus on strengthening civic participation in policy making and creating a more informed and engaged citizenry. CSO capacity varies a great deal but common gaps were identified that could lead to a program in at least three general areas.

Strengthen civil society advocacy and policy engagement initiatives -- Some key civil society groups are talented at national campaigns, raising awareness, but they are weak at maintaining pressure and playing a constructive role throughout the policy process. USAID should focus on activities that provide hands-on skills development and capacity building in policy advocacy, including coalition building and monitoring towards specific reform agendas. Encourage synergies between the national and local levels of civil society -- These activities could include: 1) the development of civic education content that could be delivered through local associations to help create a civic culture and raise awareness on citizen rights and responsibilities. 2) Local groups could shape the policy-setting process by helping organizations create policy agenda based on specific issues that are important priorities for citizens. Develop Capacity of Local and Regional Associations to play a strategic role in the Initiative National du Développement Humain -- To take advantage of the momentum created by the INDH, regional and local associations should be provided with skills to participate in the INDH process as a strategic partner, both in monitoring and evaluating project implementation and providing guidance on strategy and design.

Dormitories help girls to stay in school



Girls' dormitory in Beni-Battaou. (19 Novembre 2005)

"Without this girls' dormitory, I would have given up school," said Imane, a 13 year-old student of the Beni-Battaou middle school, 170 km Casablanca, upon the occasion of the facility's inauguration by the Minister of Education on the 19th of November. Imane lives nine km from Beni-Battaou and did not have any way other than her two feet to get to school every day. Only a dormitory permitted her to continue her formal education. The dormitory is managed by a local NGO, with financial and organisational help from the USAID/ALEF Project. The home accommodates 24 students of the Beni-Battaou middle school, which suffers from high dropout rates.

While waiting for the dormitory to open, most of the girls walked a minimum of 10 km a day roundtrip to attend school. Many, like

Imane, would have given up their education without this new facility. Siham, for example, had to drop out of school because her family could no longer support her education. Yet today, she is back in school thanks to the dormitory, which is providing all 24 girls with **housing, food and education materials**. USAID and its local partners will also soon install a **library** and a **multimedia laboratory** in the facility and also train the live-in dormitory supervisor to implement an educational and social coaching program for the girls.

The dormitory program aims to help girls have access to and stay in the Moroccan educational system. To date, USAID/ALEF has supported the creation of two other girls' dormitories; one in Beni-Tajjit (Figuig) and the other in Tinjdad (Errachidia). The program is also supporting 10 students of the Tighassaline (Khenifra) girls' dormitory.



Morocco grooms post office for banking role/financing housing for the poor

Morocco is reforming postal service *Barid al-Maghrib* to tap its potential for financing housing for the poor and to ready it for a possible privatisation in the medium term. The state-controlled firm has recently undergone a series of changes as part of a strategic 2005-2008 plan, including an 11% reduction in staff to 7,650 over 2001-2004 and a new logo and Web site (www.poste.ma). It has joined the local banks' network that manages data storage for all ATMs, has struck a business partnership with private *Attijariwafa Bank* and now considers using its unmatched network of 1,635 outlets to compete with local banks, especially on housing projects for the poor.

Barid al-Maghrib has a \$225 million investment plan over 2005-2008 to modernise its business and boost annual growth in turnover by 10 to 12%. In 2004, Barid al-Maghrib posted about \$139 million in turnover and a net profit of about \$13.3 million. The potential for Barid al-Maghrib is great, because barely 22 percent of the Morocco's 30 million people have a bank account. Commercial banks are located mainly in and around cities, while large remote areas are ignored. Analysts say the firm may have potential to emerge as a major player in the local financial arena but it will need a deep, internal change of mentality to succeed. Morocco wants to get rid of shantytowns and unruly housing units by 2010, and officials estimate that eliminating the housing shortage would cost up to \$8 billion by 2015.

US and other firms to create stock companies not ruled by Moroccan law

Firms from countries which have signed free trade agreements (FTA) with Morocco, including the United States, will be able to create stock companies in the kingdom that will not be ruled by Moroccan law, under a draft bill adopted recently by the Government of Morocco. Also under this bill, American firms will be allowed to subscribe to maritime and aviation insurances from their main offices without being accredited in Morocco.

So far, the Moroccan law requires that branches of foreign firms operating in the kingdom should be held at least 51% by Moroccan nationals or body corporate. Morocco and the US signed in June 2004 a free trade agreement. The US-Morocco FTA will immediately eliminate tariffs on 95 percent of bilateral trade in consumer and industrial products, with all remaining tariffs to be eliminated within nine years. It also significantly reduces barriers to US agricultural products and services.



Events for December 2005:

Business environment program launch

- Launch of the new rural tourism and the investment portal web sites
- CSSF and Cisco Academy graduation ceremonies
- Ambassador's visit to USAID projects in Errachidia region